

Washington, DC -- U.S. Representatives Ginny Brown-Waite (R-FL5) and Vern Buchanan (R-FL13) have introduced legislation to increase access to affordable property insurance in Florida. During a joint press conference today in Sarasota, Brown-Waite and Buchanan said The Homeowners' Insurance Protection Act would establish a federal reinsurance catastrophic fund to be named the Consumer Hurricane and Earthquake Protection Fund (HELP) to stabilize the insurance market and protect against future natural disasters.

"Devastating hurricanes have resulted in high insurance costs for property owners in Florida," said Buchanan. "Skyrocketing costs have made insurance unaffordable to many Florida families and business owners. Others have been dumped from their policies. By providing lower-cost reinsurance to state catastrophic funds, the HELP Fund would reduce property insurance costs and increase availability in Florida and across the nation."

"It is past time for the United States to create a national catastrophic plan to reduce the costs of homeowners' insurance for everyone," said Rep. Brown-Waite. "Because insurance is primarily handled at the state level, the Florida legislature convenes a Special Session tomorrow to address this crisis. They are to be commended for their actions. But at the federal level, Congress has a role to play as well. Congressman Buchanan and I wanted to let Florida homeowners know that we will do everything in our power to help alleviate this growing insurance crisis. The Homeowners' Insurance Protection Act will help lower premiums and ensure affordable homeowner's insurance is available to all Florida residents."

States establish catastrophic funds to provide low-cost reinsurance to private insurers. Catastrophic Capital Reserve Funds are like savings accounts that insurers can set aside to prepare for future catastrophic losses. The HELP fund is a federal catastrophic fund that states pay in to to receive low cost reinsurance. In the event of a one in 200 year event, the HELP fund, which would be housed in the Department of the Treasury, would provide coverage up to a one in 500 year event.

The freshman lawmaker sponsored the homeowners' insurance protection bill as his legislative action.

"High insurance costs are draining the wallets of my constituents," said Buchanan. "It is also discouraging investment in our state. I look forward to working with Ginny Brown-Waite and other Members of Congress to address this important issue."